



November 17, 2008

**CAROLINAS MARKET AREA**

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**VIA ELECTRONIC MAIL AND  
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The Honorable Thomas C. Alexander  
Chairman, State Regulation of Public Utilities  
Review Committee  
Post Office Box 142  
Columbia, South Carolina 29202

Dear Senator Alexander:

Waste Management appreciates the opportunity to submit comments in response to the State Regulation of Public Utilities Review Committee's request dated October 17, 2008 for comments on energy and energy policies. We applaud the State's concern regarding potential federal climate change legislation and how it might affect the State of South Carolina. We would like to respond specifically to Questions 1 and 4 on the Committee's document.

With regard to Question 1, we do not anticipate any comprehensive climate change legislation this year, but significant progress is likely next year and enactment could occur in 2010. It is unclear what impact this may have in South Carolina. From Waste Management's perspective, we hope that federal legislation could include incentives (rebates or tax credits) for purchase of heavy-duty hybrid trucks, tax credits for use of liquefied natural gas ("LNG") and compressed natural gas ("CNG") in heavy-duty trucks, inclusion of LNG in a Renewable Portfolio Standard ("RPS"), and provisions for offsets to be available to qualifying Waste Management operations for avoided emissions. Waste Management would like any federal legislation enacted to extend tax credits for production of electricity at landfills and promote federal RPS that includes waste to energy ("WTE") and landfill gas to energy ("LFGTE").

With regard to Question No. 4, we would like to make the Committee aware of Waste Management's strong interest in LFGTE projects nationally and in South Carolina. Solid waste is a renewable energy source. Today, Waste Management uses it to create enough energy to power the equivalent of 1 million homes each year.

In South Carolina, we currently have two LFGTE projects that generate enough electricity to power the equivalent of approximately more than 6,000 homes. In Spartanburg, our LFGTE project at the Palmetto Landfill powers approximately 70 percent of the BMW plant, saving BMW an estimated one million dollars per year on energy costs. At our Richland County Landfill, we have a joint LFGTE project with Santee Cooper which places electricity into Santee Cooper's grid.

*From everyday collection to environmental protection, Think Green® Think Waste Management.*

In addition to these current projects, we have plans to bring three additional projects on board by the year 2020. Future projects include the Oakridge Landfill in Dorchester County, the Hickory Hill Landfill in Jasper County, and the proposed Cherokee Environmental Management Center (or 3Cycle) in Cherokee County. These three proposed facilities could create enough energy to power the equivalent of more than 26,000 homes.

Nationally, Waste Management is very committed to expanding our LFGTE projects. I have attached a copy of our national Goals for Sustainable Growth, which outlines our goal to increase waste-based energy production to the equivalent of 2 million homes by 2020. I have also attached a listing of Waste Management Landfill Gas Beneficial Use Projects nationally. We would be pleased to provide any additional information the Committee would like on LFGTE projects.

While the Committee did not specifically ask about recycling efforts, recycling clearly reduces energy usage and promotes climate change by reducing power consumption. Increasing recycling efforts also provides energy savings, and Waste Management is committed to this effort. Today, Waste Management manages 8 million tons of recyclables per year and expects to triple the amount of materials we process by 2020. As the largest recycler in North America, we are committed to growing recycling. The efficiency of the Single Stream Recycling process can improve local recycling programs by increasing capacity, resulting in an average recovery of up to 30 percent more recyclable material while maintaining material quality equal to if not better than traditional recycling processes. In Cherokee County, we are proposing a facility that would include both Single Stream Recycling and Construction and Demolition Debris Recycling. We would be pleased to provide information to the Committee on the energy savings associated with recycling.

Thank you again for the opportunity to submit comments to the Committee. Waste Management would like to work with the Committee to address climate change in ways that will help South Carolina and the country become more energy independent and that will benefit both the economic and environmental prosperity of this State. Contact information is included above, and my e-mail address is [ressick@wm.com](mailto:ressick@wm.com). Waste Management would be pleased to provide oral testimony at the Review Committee hearing.

Sincerely,



Randall L. Essick  
Senior Manager  
Business Development